

SIERRA COUNTY ECONOMIC FORECAST

Sierra County is located on the California-Nevada state border. The county is the second smallest in the state in terms of population. One indication of its size is that there are no traffic signals in Sierra County. The county has a population of 3,514 people and 764 wage and salary jobs. The per capita income in Sierra County is \$24,878, and the average salary per worker is \$37,943.

In 2005, total wage and salary employment in Sierra County increased by a scant 5 jobs, representing an increase of 0.7 percent. Consequently, the unemployment rate declined slightly to 10.8 percent in 2005.

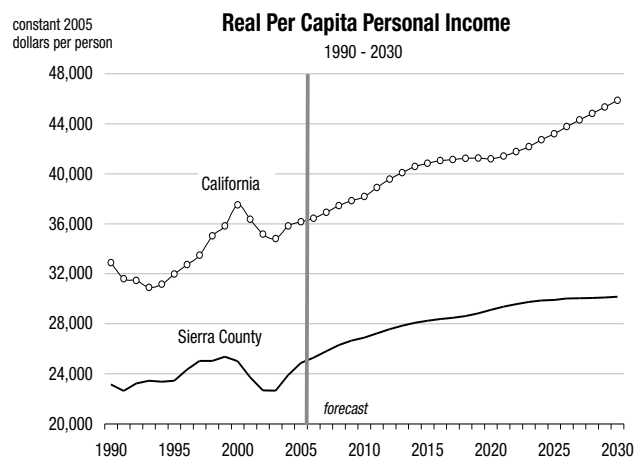
The goods producing sector gained 16 jobs last year, bringing total jobs in that sector to 119. The public sector, which represents 55 percent of total employment in the county, lost 6 jobs last year. Six jobs were also lost in the services sector, which accounts for nearly 28 percent of total employment in the county.

During 2005, the population declined in Sierra County at a rate of 0.8 percent. A total of 3 net migrants entered the county last year. The only incorporated city in the county is Loyaltown, which shrunk 0.1 percent between January 2005 and January 2006. The city has a total of 883 residents, representing 25 percent of the county total.

Employment growth is expected to remain positive over the forecast period, but no more than 17 jobs are expected to be created in a single year over the next several years.

FORECAST HIGHLIGHTS

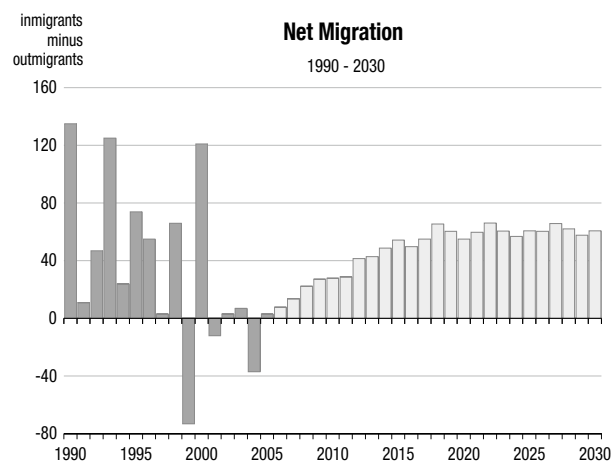
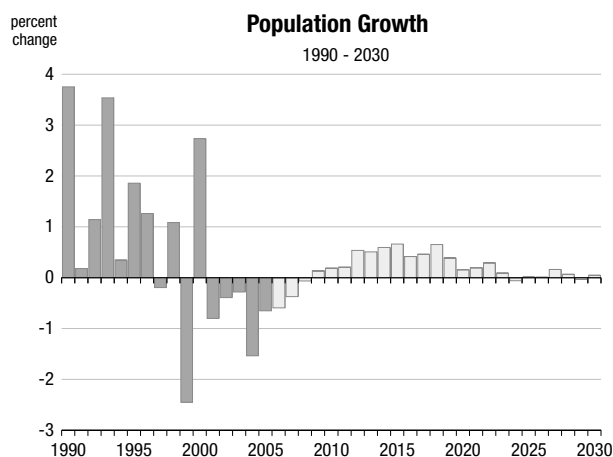
- Total wage and salary job growth is forecast to increase to 1.7 percent in 2006. Over the next five years job growth is expected to average 1.5 percent per year.
- Average salaries adjusted for inflation are currently well below the California state average, and will remain so over the forecast period. Inflation adjusted salaries are expected to increase an average of 0.8 percent per year over the next 5 years.
- Between 2006 and 2010, the goods producing sector is forecast to create most of the new jobs. That sector is forecast to create 37 jobs over the next five years. The services sector is forecast to create 3 jobs and the public sector 18 jobs over that same time period.
- Population growth is expected to be -0.6 percent in 2006. Annual growth in the 2006 to 2010 period will be slightly negative, averaging -0.1 percent per year.
- Net migration is forecast at 8 persons entering the county in 2006. Over the next five years net migration will average approximately 20 net migrants per year. Due to an aging population in the county, any growth will come from net migration, as deaths are expected to be greater than births.
- Real per capita income is forecast to rise 1.7 percent in 2006. Over the next five years, the growth in real per capita income will average approximately 1.6 percent per year.
- Total taxable sales, adjusted for inflation, are forecast to decline 6.4 percent in 2006. However, over the next five years real taxable sales are forecast to increase marginally, at an average rate of 0.2 percent per year.
- Industrial production is forecast to increase 10.6 percent in 2006. Over the next five years the growth rate of industrial production averages 8.4 percent per year.



Sierra County Economic Forecast

1997-2005 History, 2006-2030 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (number)	New Homes Permitted (homes)	Total Taxable Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
1997	3,598	3	4.2	1,394	9	\$15.5	\$71.2	\$25,042	3.4	6.8	19.7	11.7
1998	3,637	66	4.3	1,401	10	\$17.6	\$74.3	\$25,036	3.2	6.8	18.8	11.7
1999	3,548	-73	4.5	1,407	14	\$20.0	\$76.5	\$25,362	4.2	6.7	20.7	11.7
2000	3,645	121	4.7	1,520	19	\$20.0	\$81.0	\$25,013	4.5	7.0	24.9	11.6
2001	3,616	-12	4.9	1,526	18	\$20.5	\$80.3	\$23,718	5.4	7.4	15.4	11.4
2002	3,602	3	5.2	1,532	17	\$26.1	\$77.7	\$22,671	1.6	4.6	13.0	11.2
2003	3,592	7	5.2	1,544	20	\$20.8	\$78.8	\$22,646	1.8	5.9	12.6	11.1
2004	3,537	-37	5.4	1,562	18	\$22.9	\$82.9	\$23,909	1.2	6.4	12.4	10.9
2005	3,514	3	5.5	1,568	14	\$23.5	\$87.4	\$24,878	2.0	6.4	15.2	10.8
2006	3,493	8	5.5	1,564	16	\$22.0	\$91.8	\$25,292	3.9	6.6	16.8	10.2
2007	3,480	14	5.6	1,566	15	\$22.0	\$95.5	\$25,798	2.4	6.7	18.5	9.8
2008	3,478	22	5.6	1,570	13	\$22.4	\$99.3	\$26,297	2.0	6.8	21.1	9.5
2009	3,483	27	5.7	1,573	13	\$22.9	\$102.9	\$26,656	2.0	6.9	22.2	9.4
2010	3,489	28	5.7	1,577	14	\$23.6	\$106.6	\$26,892	2.5	6.9	22.7	9.2
2011	3,497	29	5.8	1,580	12	\$24.3	\$110.7	\$27,234	2.4	6.9	23.8	9.1
2012	3,515	41	5.9	1,584	14	\$24.9	\$115.2	\$27,571	2.2	6.9	24.8	9.0
2013	3,533	43	6.0	1,587	14	\$25.6	\$119.7	\$27,847	2.3	6.9	25.7	9.0
2014	3,554	49	6.1	1,591	17	\$26.3	\$124.3	\$28,086	2.3	6.9	26.2	8.9
2015	3,578	54	6.2	1,595	17	\$27.1	\$129.0	\$28,247	2.5	6.9	26.6	8.8
2016	3,593	50	6.4	1,600	15	\$27.9	\$133.6	\$28,384	2.7	6.9	27.2	8.8
2017	3,610	55	6.5	1,604	14	\$28.8	\$138.3	\$28,477	2.7	6.9	27.6	8.8
2018	3,633	65	6.7	1,607	15	\$29.7	\$143.4	\$28,612	2.5	6.9	28.3	8.7
2019	3,647	60	6.8	1,611	14	\$30.6	\$148.8	\$28,840	2.5	6.9	29.0	8.7
2020	3,653	55	6.9	1,615	14	\$31.5	\$154.2	\$29,107	2.5	6.9	29.6	8.6
2021	3,660	60	7.0	1,619	13	\$32.4	\$159.7	\$29,374	2.4	6.9	30.0	8.6
2022	3,671	66	7.1	1,622	13	\$33.4	\$165.4	\$29,581	2.5	6.9	29.8	8.6
2023	3,674	61	7.2	1,626	13	\$34.4	\$170.6	\$29,757	2.5	6.9	29.4	8.5
2024	3,672	57	7.3	1,629	13	\$35.4	\$175.1	\$29,868	2.3	6.9	28.5	8.5
2025	3,673	61	7.4	1,633	13	\$36.4	\$179.5	\$29,910	2.4	6.9	27.3	8.5
2026	3,673	60	7.5	1,636	13	\$37.5	\$184.6	\$30,026	2.4	6.9	27.0	8.4
2027	3,679	66	7.6	1,639	13	\$38.6	\$189.5	\$30,038	2.5	6.9	26.3	8.4
2028	3,682	62	7.6	1,643	13	\$39.8	\$194.9	\$30,070	2.7	6.9	26.0	8.4
2029	3,681	58	7.6	1,646	13	\$41.0	\$200.3	\$30,110	2.7	6.9	25.8	8.4
2030	3,682	61	7.6	1,650	13	\$42.3	\$205.9	\$30,163	2.6	6.9	25.6	8.3

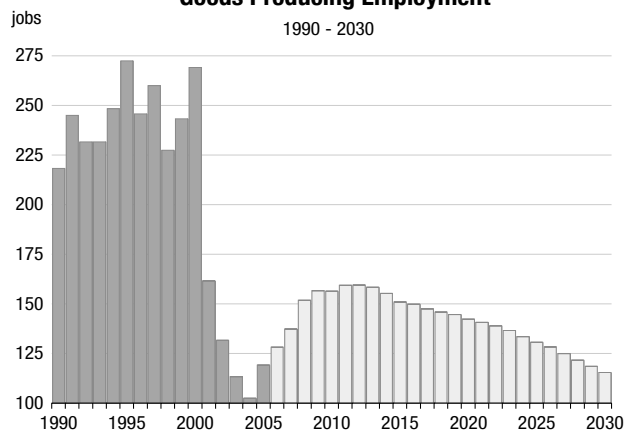


Sierra County Employment Forecast

1997-2005 History, 2006-2030 Forecast

	Total Wage & Salary	Farm	Goods Producing	Services	Government
-----employment (number of jobs)-----					
1997	1,003	0	260	275	468
1998	946	0	228	279	439
1999	989	10	243	295	441
2000	1,011	0	269	295	447
2001	870	0	162	245	463
2002	833	5	132	233	463
2003	814	10	113	236	455
2004	759	10	103	218	429
2005	764	10	119	212	423
2006	777	10	128	211	428
2007	790	10	137	209	433
2008	806	10	152	208	437
2009	815	10	157	209	439
2010	822	10	156	214	441
2011	837	10	159	225	443
2012	849	10	160	236	444
2013	858	10	158	245	444
2014	861	10	155	251	445
2015	859	10	151	253	445
2016	853	10	150	248	445
2017	843	10	148	241	445
2018	837	10	146	237	445
2019	837	10	145	238	445
2020	838	10	142	241	444
2021	839	10	141	244	444
2022	841	10	139	247	444
2023	841	10	137	250	444
2024	841	10	134	254	444
2025	841	10	131	256	444
2026	840	10	128	258	444
2027	839	10	125	261	443
2028	836	10	122	260	443
2029	831	10	119	259	443
2030	827	10	115	258	443

Goods Producing Employment



Services Employment

